

# **FISCAL NOTE**

## **HB 2068 - SB 2235**

February 21, 2002

**SUMMARY OF BILL:** Establishes specific criteria for determining uninsurability in the TennCare program. Defines high-cost conditions that are eligible for TennCare as uninsurable and requires two letters of declination by health insurers specifying the condition that causes uninsurability. The Bureau of TennCare may waive this requirement for good cause. The changes are to take effect after approval by the Federal government.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures - Not Significant**

Estimate assumes that:

- the current waiver covers all the conditions listed. Under the proposed waiver, uninsurables above the poverty level will be allowed to enroll only during the open enrollment periods as defined in the proposed waiver. Provisions of this bill are subject to requirements of the current or any successor waiver.
- a contract third-party vendor, to be hired in the future, would review such conditions as a normal part of operations and would consider all these conditions in light of industry underwriting standards. This process is included in the proposed waiver.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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